

# SOFTWARE



The software subsector is the second largest in Kanata by employment and third largest by revenues.

A great many of the firms in the area are involved in software development; however, with this category we are including only those firms whose main product or service is actually software as opposed to companies that “embed” software into their product to activate or operationalize it.

The hallmark of this subsector is that large-scale capital investment is not required; rather, skilled, smart and creative people are what is needed – of which Ottawa has many.

## Areas of specialization in this subsector include:

- Solutions: internet security, network quality, systems integration, operating systems, mobile solutions, accounting, mobile security, human resources, interactivity, enterprise solutions
- Systems and subsystems: design tools, business management, big data research and development, custom engagement software, user interface, data optimization, cloud management, educational systems, network management, data collection, development tools
- Products and platforms: satellite hub, internet-working, mobile VoIP, hybrid integration optical, network infrastructure, CRM on phones, video interaction, network integrity, telecom modules, optical equipment, telephony-enabling technology, harsh environment equipment

- Services: governance compliance, outsource custom software, benchmarking consulting, B.I. developer, SaaS customer experience, data recovery, design software

## PRODUCTIVITY

Based on the research, the total revenues to the subsector are \$576.6 million. The estimated productivity by sales-per-employee is \$209,000. While this may seem low for Kanata North, this must be judged against the significantly lower input costs with labour the highest cost.

## EMPLOYMENT

Wages and salaries are approximately 80% of revenues, with 90% professional.

## LOCAL/REGIONAL SPENDING

The firms in this subsector are mostly Canadian-owned. EBITDA is about 20% though, at some companies, it can be as high as 30 – 50% while, at still others, especially startups, which may be unprofitable for years. General and administrative costs are approximately 5%. Purchased inputs are approximately 5%.

# 2,757

**NUMBER OF WORKERS**

# \$576.6m

**REVENUES**

# \$209k

**PRODUCTIVITY BASED  
ON SALES-PER-EMPLOYEE**

# 95%

**EXPORT RATIO**

